

EXHIBIT B



U.S. Specialty Insurance Company
ADMINISTRATIVE OFFICES
13403 NORTHWEST FREEWAY
HOUSTON, TX 77040

THIS POLICY CONSISTS OF:

- DECLARATIONS
- COMMON POLICY CONDITIONS
- COVERAGE FORMS
- APPLICABLE ENDORSEMENTS

U.S. SPECIALTY INSURANCE COMPANY

In Witness Whereof, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by our authorized representative.



BY:

PRESIDENT



SECRETARY

COMMON POLICY DECLARATIONS

COVERAGE IS PROVIDED BY U.S. Specialty Insurance Company HCC Specialty 13403 Northwest Freeway, Houston, TX 77040		POLICY NUMBER RENEWAL OF POLICY NO:	U16AC85349-01 U15AC85349-00
Named Insured:	UNEDUS CONCRETE INC DBA CASTILLO CONSTRUCTION		
Mailing Address:	2215 LIBERATA DRIVE MORGAN HILL, CA 95037		
Policy Period:	From: 01/09/2016 To: 01/09/2017 at 12:01 A.M., Standard Time at your mailing address shown above.		
Broker:	Fusco & Orsini Insurance Services, Inc.		
In return for the payment of premium and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.			
THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS INDICATED BELOW. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.			
			PREMIUM
Commercial General Liability Coverage Part			\$10,904
Contractors Personal Property Coverage Part			\$ 327
TOTAL PREMIUM			\$11,231
Policy Fee			\$ 400.00
POLICY TOTAL (Policy Total shown is payable at inception)			\$ 11,631.00
Forms and Endorsements:	See HCS 030 02 11 12 – Schedule of Forms and Endorsements		

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

- a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

SCHEDULE OF FORMS AND ENDORSEMENTS

The following are the forms attached to and forming a part of the policy at inception:

		Policy Jacket
HCS 010 01	01 13	Common Policy Declarations USSIC
IL 00 17	11 98	Common Policy Conditions
HCS 030 02	11 12	Schedule of Forms and Endorsements
IL 00 21	09 08	Nuclear Energy Liability Exclusion Endorsement (Broad Form)
HCS 020 01	01 13	Commercial General Liability Coverage Part Declarations
CG 00 01	12 07	Commercial General Liability Coverage Form (Occurrence)
IL 09 85	01 15	Disclosure Pursuant to Terrorism Risk Insurance Act
CG 21 70	01 15	Cap on Losses from Certified Acts of Terrorism
HCS 040 01	10 13	Contractors Coverage Enhancement Endorsement
HCS 040 06	10 13	Primary and Noncontributory and Blanket Waiver of Subrogation
HCS 040 04	11 12	Definition of Employee Amendment
HCS 050 02	11 12	Exclusion - Asbestos
HCS 050 03	11 12	Exclusion - Arsenic
HCS 050 04	02 14	Exclusion - Cross Suits
HCS 050 05	11 12	Exclusion - Lead
HCS 050 08	11 12	Exclusion - Sulfates
CG 21 47	12 07	Employment-Related Practices Exclusion
CG 21 67	12 04	Fungi or Bacteria Exclusion
CG 21 86	12 04	Exclusion - Exterior Insulation and Finish Systems
CG 21 96	03 05	Silica or Silica-Related Dust Exclusion
CG 00 68	05 09	Recording and Distribution of Material or Information in Violation of Law Exclusion
CG 20 10	07 04	Additional Insured - Owners, Lessees or Contractors - Scheduled Person or Organization (Blanket)
CG 32 34	01 05	California Changes
CG 03 00	01 96	Deductible Liability Insurance
CG 22 79	07 98	Exclusion - Contractors - Professional Liability
CG 21 76	01 15	Exclusion of Punitive Damages from a Certified Act of Terrorism
CG 24 04	05 09	Waiver of Transfer of Rights of Recovery Against Others to Us
CG 20 37	07 04	Additional Insured - Owners, Lessees or Contractors - Completed Operations
CG 21 55	09 99	Total Pollution Exclusion with a Hostile Fire Exception
HCS 040 17	07 14	Basis of Premium Endorsement
HCS 040 21	07 14	Primary and Non-Contributing Insurance
HCS 050 24	07 14	Exclusion - Pending And Prior Litigation
HCS 050 27	07 14	Exclusion - Operations Covered By A Consolidated (Wrap-Up) Insurance Program (Limited Off-Site Coverage)
HCS 050 31	07 14	Exclusion - Condominiums, Townhomes, Timeshares, and Tract Homes
ARCClaim		Artisan Claim Instructions Page

POLICY NUMBER: U16AC85349-01

IL 00 21 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:
 - A. Under any Liability Coverage, to "bodily injury" or "property damage":
 - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
 - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
 - C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
 - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
 - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
 - (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.
2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

POLICY NUMBER: U16AC85349-01

IL 02 70 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 LIQUOR LIABILITY COVERAGE PART
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraphs **2.** and **3.** of the **Cancellation** Common Policy Condition are replaced by the following:

2. All Policies In Effect For 60 Days Or Less

If this policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this policy by mailing or delivering to the first Named Insured at the mailing address shown in the policy and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

- a.** 10 days before the effective date of cancellation if we cancel for:
 - (1)** Nonpayment of premium; or
 - (2)** Discovery of fraud by:
 - (a)** Any insured or his or her representative in obtaining this insurance; or
 - (b)** You or your representative in pursuing a claim under this policy.
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

3. All Policies In Effect For More Than 60 Days

- a.** If this policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:
 - (1)** Nonpayment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.
 - (2)** Discovery of fraud or material misrepresentation by:
 - (a)** Any insured or his or her representative in obtaining this insurance; or
 - (b)** You or your representative in pursuing a claim under this policy.
 - (3)** A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.

- (4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.
 - (5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.
 - (6) A determination by the Commissioner of Insurance that the:
 - (a) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or
 - (b) Continuation of the policy coverage would:
 - (i) Place us in violation of California law or the laws of the state where we are domiciled; or
 - (ii) Threaten our solvency.
 - (7) A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the policy.
- b.** We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, at least:
- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium or discovery of fraud; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason listed in Paragraph 3.a.
- B.** The following provision is added to the **Cancellation** Common Policy Condition:
- 7. Residential Property**
- This provision applies to coverage on real property which is used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household personal property in a residential unit, if such coverage is written under one of the following:
- Commercial Property Coverage Part
Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form
- a.** If such coverage has been in effect for 60 days or less, and is not a renewal of coverage we previously issued, we may cancel this coverage for any reason, except as provided in **b.** and **c.** below.
 - b.** We may not cancel this policy solely because the first Named Insured has:
 - (1) Accepted an offer of earthquake coverage; or
 - (2) Cancelled or did not renew a policy issued by the California Earthquake Authority (CEA) that included an earthquake policy premium surcharge.

However, we shall cancel this policy if the first Named Insured has accepted a new or renewal policy issued by the CEA that includes an earthquake policy premium surcharge but fails to pay the earthquake policy premium surcharge authorized by the CEA.
 - c.** We may not cancel such coverage solely because corrosive soil conditions exist on the premises. This Restriction (**c.**) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:
 - (1) Capital Assets Program Coverage Form (Output Policy);
 - (2) Commercial Property Coverage Part – Causes Of Loss – Special Form; or
 - (3) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph **D.** Covered Causes Of Loss – Special.

- C. The following is added and supersedes any provisions to the contrary:

NONRENEWAL

1. Subject to the provisions of Paragraphs **C.2.** and **C.3.** below, if we elect not to renew this policy, we will mail or deliver written notice stating the reason for nonrenewal to the first Named Insured shown in the Declarations and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the policy.

2. Residential Property

This provision applies to coverage on real property used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household property contained in a residential unit, if such coverage is written under one of the following:

Capital Assets Program (Output Policy) Coverage Part

Commercial Property Coverage Part

Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

- a. We may elect not to renew such coverage for any reason, except as provided in **b.**, **c.** and **d.** below:

- b. We will not refuse to renew such coverage solely because the first Named Insured has accepted an offer of earthquake coverage.

However, the following applies only to insurers who are associate participating insurers as established by Cal. Ins. Code Section 10089.16. We may elect not to renew such coverage after the first Named Insured has accepted an offer of earthquake coverage, if one or more of the following reasons applies:

- (1) The nonrenewal is based on sound underwriting principles that relate to the coverages provided by this policy and that are consistent with the approved rating plan and related documents filed with the Department of Insurance as required by existing law;

- (2) The Commissioner of Insurance finds that the exposure to potential losses will threaten our solvency or place us in a hazardous condition. A hazardous condition includes, but is not limited to, a condition in which we make claims payments for losses resulting from an earthquake that occurred within the preceding two years and that required a reduction in policyholder surplus of at least 25% for payment of those claims; or

- (3) We have:

- (a) Lost or experienced a substantial reduction in the availability or scope of reinsurance coverage; or

- (b) Experienced a substantial increase in the premium charged for reinsurance coverage of our residential property insurance policies; and

the Commissioner has approved a plan for the nonrenewals that is fair and equitable, and that is responsive to the changes in our reinsurance position.

- c. We will not refuse to renew such coverage solely because the first Named Insured has cancelled or did not renew a policy, issued by the California Earthquake Authority that included an earthquake policy premium surcharge.

- d. We will not refuse to renew such coverage solely because corrosive soil conditions exist on the premises. This Restriction (**d.**) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:

- (1) Capital Assets Program Coverage Form (Output Policy);

- (2) Commercial Property Coverage Part – Causes Of Loss – Special Form; or

- (3) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph **D.** Covered Causes Of Loss – Special.

3. We are not required to send notice of nonrenewal in the following situations:

- a. If the transfer or renewal of a policy, without any changes in terms, conditions, or rates, is between us and a member of our insurance group.

- b. If the policy has been extended for 90 days or less, provided that notice has been given in accordance with Paragraph **C.1**.
- c. If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.
- d. If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.
- e. If the first Named Insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.
- f. If we have made a written offer to the first Named Insured, in accordance with the timeframes shown in Paragraph **C.1**., to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

POLICY NUMBER: U16AC85349-01 **EFFECTIVE DATE:** 01/09/2016

LIMITS OF INSURANCE

Each Occurrence Limit	\$1,000,000	
General Aggregate Limit (Other than Products – Completed Operations)	\$2,000,000	
Products – Completed Operations Aggregate Limit	\$2,000,000	
Personal and Advertising Injury Limit	\$1,000,000	
Damage To Premises Rented To You Limit	\$100,000	
Medical Expense Limit	\$ 5,000	Any One Person

BUSINESS DESCRIPTION AND LOCATION OF PREMISES

Form of Business: Corporation
Business Description: Concrete Contractor
Painting Contractor

PREMIUM

Classification	Rate	Premium Basis	Exposure	Premium
Concrete Contractor	\$39.9459	Per \$1,000 Payroll	\$257,450	\$ 10,904
Painting Contractor	\$31.0239	Per \$1,000 Payroll	\$13,550	
Subcontracted Work	\$4.0000	Per \$1,000 Subcontracted Cost	\$50,000	Included
Total Advance Premium				\$10,904

Forms and Endorsements: See HCS 030 02 11 12 – Schedule of Forms and Endorsements

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
CG 00 01 12 07

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:
 - (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
 - (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.
- b. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
 - (2) The "bodily injury" or "property damage" occurs during the policy period; and
 - (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
 - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

(1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
- (b) the operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;

- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Distribution Of Material In Violation Of Statutes

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **n.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a.** We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1)** The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2)** Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B**.

- b.** This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1)** Advertising, broadcasting, publishing or telecasting;
- (2)** Designing or determining content of websites for others; or

- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Distribution Of Material In Violation Of Statutes

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
- provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and

- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by,
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
- 2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage **C**;
 - b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage **B**.

- 3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
- 4. Subject to Paragraph 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
- 5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage **A**; and
 - b. Medical expenses under Coverage **C** because of all "bodily injury" and "property damage" arising out of any one "occurrence".
- 6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
- 7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

- 1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
- 2. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.
5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

 - (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
 - (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

- (a) Snow removal;
- (b) Road maintenance, but not construction or resurfacing; or
- (c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and

(2) The providing of or failure to provide warnings or instructions.

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
CG 21 70 01 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

- A.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.
- "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
- 1.** The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 - 2.** The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
HCS 040 01 10 13

CONTRACTORS COVERAGE ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is understood and agreed that this endorsement amends the **COMMERCIAL GENERAL LIABILITY COVERAGE PART** as follows. The changes this endorsement makes do not apply with respect to any coverage that has been excluded or amended by another endorsement attached to this policy.

1. BROAD KNOWLEDGE OF OCCURRENCE/ NOTICE OF OCCURRENCE

Condition 2. Duties in The Event of Occurrence, Offense, Claim or Suit of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended to add the following provisions:

A. BROAD KNOWLEDGE OF OCCURRENCE

You must give us or our authorized representative notice of an "occurrence", offense, claim or "suit" only when the "occurrence", offense, claim or "suit" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership;
- (3) An executive officer or the employee designated by you to give such notice, if you are a corporation; or
- (4) A manager, if you are a limited liability company.

B. NOTICE OF OCCURRENCE

Your rights under this Coverage Part will not be prejudiced if you fail to give us notice of an "occurrence", offense, claim or "suit" and that failure is solely due to your reasonable belief that the "bodily injury" or "property damage" is not covered under this Coverage Part. However, you shall give written notice of this "occurrence", offense, claim or "suit" to us as soon as you are aware that this insurance may apply to such "occurrence", offense, claim or "suit".

2. CONTRACTUAL LIABILITY – RAILROADS

With respect to operations performed within 50 feet of railroad property, the definition of "insured contract" in **SECTION V – DEFINITIONS** is replaced by the following:

"Insured Contract" means:

- A. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - B. A sidetrack agreement;
 - C. Any easement or license agreement;
 - D. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - E. An elevator maintenance agreement;
 - F. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- Paragraph F. does not include that part of any contract or agreement:
1. That indemnifies an architect, engineer, or surveyor for injury or damage arising out of:

- a. Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - b. Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
2. Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in 1. above and supervisory, inspection, architectural or engineering activities.

3. CONTRACTUAL LIABILITY FOR PERSONAL AND ADVERTISING INJURY

Under **SECTION I – COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**, Paragraph 2. **Exclusions** is amended to delete exclusion e. **Contractual Liability**.

This provision 3. does not apply to any person or organization who otherwise qualifies as an additional insured on this Coverage Part.

4. ELECTRONIC DATA LIABILITY

- A. Under **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE**, Paragraph 2. **Exclusions** is amended to delete exclusion p. **Electronic Data** and replace it with the following:

This insurance does not apply to:

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate “electronic data” that does not result from physical injury to tangible property and arises out of “electronic data”.

- B. The following paragraph is added to **SECTION III – LIMITS OF INSURANCE**:

Subject to 5. above, \$10,000 is the most we will pay under Coverage A for all damages arising out of any one “occurrence” because of “property damage” that results from physical injury to tangible property and arises out of “electronic data”.

- C. The following definition is added to the **SECTION V – DEFINITIONS**:

“Electronic data” means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- D. For the purposes of the coverage provided by this endorsement, the definition of “property damage” in **SECTION V – DEFINITIONS** is replaced by the following:

17. “Property damage” means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it;
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the “occurrence” that caused it; or
- c. Loss of, loss of use of, damage to, corruption of, inability to access, or inability to properly manipulate “electronic data”, resulting from physical injury to tangible property. All such loss of “electronic data” shall be deemed to occur at the time of the “occurrence” that caused it.

For the purposes of this insurance, “electronic data” is not tangible property.

- E. If Electronic Data Liability is provided at a higher limit by another endorsement attached to this policy, then the \$10,000 limit provided by this Provision 4. **Electronic Data Liability** is part of, and not in addition to, that higher limit.

5. EXPECTED OR INTENDED INJURY

Under **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Paragraph 2. **Exclusions** is amended to delete exclusion a. **Expected or Intended Injury** and replace it with the following:

This insurance does not apply to:

a. Expected or Intended Injury

“Bodily injury” or “property damage” expected or intended from the standpoint of the insured. This exclusion does not apply to “bodily injury” or “property damage” resulting from the use of reasonable force to protect persons or property.

6. IN REM ACTIONS

Any action *in rem* against any vessel owned or operated by or for you, or chartered by or for you will be treated in the same manner as though the action were *in personam* against you.

In rem is a term used to designate actions instituted *against the thing*, as distinct from actions against the person, which are said to be *in personam*.

7. LIBERALIZATION CLAUSE

If we adopt a change in our forms or rules which would broaden coverage for contractors under this endorsement without an additional premium charge, your policy will automatically provide the additional coverage as of the date the revision is effective in your state.

8. NON-OWNED AIRCRAFT

Under **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Paragraph 2. **Exclusions** is amended such that exclusion **g. Aircraft, Auto or Watercraft** does not apply to an aircraft you do not own, provided that:

1. The pilot in command holds a currently effective certificate issued by the duly constituted authority of the United States of America or Canada, designating that person as a commercial or airline transport pilot;
2. The aircraft is rented to you with a trained, paid crew; and
3. The aircraft does not transport persons or cargo for a charge.

9. NON-OWNED WATERCRAFT

Under **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Paragraph 2. **Exclusions** is amended to delete subparagraph (2) of exclusion **g. Aircraft, Auto or Watercraft** and replace it with the following:

[This exclusion does not apply to:]

- (1) A watercraft you do not own that is:
 - (a) Less than 75 feet long; and
 - (b) Not being used to carry persons or property for a charge.

10. PROPERTY DAMAGE – ELEVATORS

A. Under **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE**, Paragraph 2. **Exclusions** is amended such that exclusion **k. Damage to Your Product**, and subparagraph (3), (4), and (6) of exclusion **j. Damage to Property** do not apply to “property damage” that results from the use of elevators.

B. With respect to the coverage provided by this endorsement, **Condition 4. Other Insurance** in **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended to add the following subparagraph **b.(1)(a)(v)**:

4. Other Insurance**b. Excess Insurance**

(i) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(v) That is Property insurance covering property of others damaged from the use of elevators.

11. SUPPLEMENTARY PAYMENTS

A. Under **Section I – Supplementary Payments – Coverages A and B**, Paragraph 1.b., the limit of \$250 shown for the cost of bail bonds is replaced by \$1,500:

B. In Paragraph 1.d., the limit of \$250 shown for daily loss of earnings is replaced by \$1,000.

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
HCS 040 06 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NONCONTRIBUTORY AND BLANKET WAIVER OF SUBROGATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. PRIMARY AND NON-CONTRIBUTORY TO OTHER INSURANCE

With respect to any person or organization that is an additional insured under this Coverage Part, the following is added to paragraph 4. of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

If you have agreed in writing in a contract or agreement that this insurance is primary and non-contributory relative to an additional insured's own insurance, then this insurance is primary and we will not seek contribution from that other insurance. For the purpose of this endorsement, the additional insured's own insurance means insurance on which the additional insured is a Named Insured.

When this endorsement is attached to the policy it supersedes all other insurance conditions within.

B. WAIVER OF SUBROGRATION – BLANKET

Under **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, The **Transfer Of Rights Of Recovery Against Others To Us Condition** is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of:

- a. Your ongoing operations; or
- b. "Your work" included in the "products-completed operations hazard".

However, this waiver applies only when you have agreed in writing to waive such rights of recovery in a contract or agreement, and only if the contract or agreement:

- a. Is in effect or becomes effective during the term of this policy; and
- b. Was executed prior to loss.

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
HCS 040 04 11 12

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DEFINITION OF EMPLOYEE AMENDMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Section **V – Definitions**, 5. “Employee” is deleted and replaced by the following:

5. “Employee” includes “leased worker” and “temporary worker”.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

HCS 040 04 11 12

Page 1 of 1

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
HCS 050 02 11 12

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - ASBESTOS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** The following exclusion is added to Paragraph 2., **Exclusions** of Section I – **Coverage A – Bodily Injury And Property Damage Liability**:

2. Exclusions

This insurance does not apply to:

Asbestos

"Bodily injury" or "property damage" arising out of the actual, alleged, suspected or threatened ingestion of, inhalation of, contact with, exposure to, existence of, or presence of "asbestos".

- B.** The following exclusion is added to Paragraph 2., **Exclusions** of Section I – **Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Asbestos

"Personal and advertising injury" arising out of the actual, alleged, suspected or threatened ingestion of, inhalation of, contact with, exposure to, existence of, or presence of "asbestos".

- C.** The following definition is added to the

Definitions Section:

"Asbestos" means the material in any form.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
HCS 050 03 11 12

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - ARSENIC

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

Arsenic

“Bodily injury” or “property damage” arising out of the actual, alleged, suspected or threatened ingestion of, inhalation of, contact with, exposure to, existence of, or presence of “arsenic”.

- B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Arsenic

“Personal and advertising injury” arising out of the actual, alleged, suspected or threatened ingestion of, inhalation of, contact with, exposure to, existence of, or presence of “arsenic”.

- C. The following definition is added to the Definitions Section:**

“Arsenic” means the element in any form.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
HCS 050 04 02 14

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CROSS SUITS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

Cross Suits

"Bodily injury" or "property damage" arising from claims or "suits" brought by any named insured against any other named insured.

- B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Cross Suits

"Personal and advertising injury" arising from claims or "suits" brought by any named insured against any other named insured.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
HCS 050 05 11 12

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - LEAD

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

Lead

“Bodily injury” or “property damage” arising out of the actual, alleged, suspected or threatened ingestion of, inhalation of, contact with, exposure to, existence of, or presence of “lead”.

- B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Lead

“Personal and advertising injury” arising out of the actual, alleged, suspected or threatened ingestion of, inhalation of, contact with, exposure to, existence of, or presence of “lead”.

- C. The following definition is added to the Definitions Section:**

“Lead” means the element in any form.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
HCS 050 08 11 12

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - SULFATES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** The following exclusion is added to Paragraph 2., **Exclusions** of Section I – **Coverage A – Bodily Injury And Property Damage Liability**:

2. Exclusions

This insurance does not apply to:

Sulfates

“Bodily injury” or “property damage” arising out of the actual, alleged, suspected or threatened ingestion of, inhalation of, contact with, exposure to, existence of, or presence of “sulfates”.

- B.** The following exclusion is added to Paragraph 2., **Exclusions** of Section I – **Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Sulfates

“Personal and advertising injury” arising out of the actual, alleged, suspected or threatened ingestion of, inhalation of, contact with, exposure to, existence of, or presence of “sulfates”.

- C.** The following definition is added to the

Definitions Section:

“Sulfates” means the acid in any form or combination.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
CG 21 47 12 07**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EMPLOYMENT-RELATED PRACTICES EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART**A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
CG 21 67 12 04**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

B. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

- a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

C. The following definition is added to the Definitions Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
CG 21 86 12 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – EXTERIOR INSULATION AND FINISH SYSTEMS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of, caused by, or attributable to, whether in whole or in part, the following:
1. The design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance or repair, including remodeling, service, correction or replacement, of any "exterior insulation and finish system" or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such a system; or
 2. "Your product" or "your work" with respect to any exterior component, fixture or feature of any structure if an "exterior insulation and finish system", or any substantially similar system, is used on the part of that structure containing that component, fixture or feature.
- B.** The following definition is added to the **Definitions** Section:
- "Exterior insulation and finish system" means a non-load bearing exterior cladding or finish system, and all component parts therein, used on any part of any structure, and consisting of:
1. A rigid or semi-rigid insulation board made of expanded polystyrene and other materials;
 2. The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
 3. A reinforced or unreinforced base coat;
 4. A finish coat providing surface texture to which color may be added; and
 5. Any flashing, caulking or sealant used with the system for any purpose.

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
CG 21 96 03 05**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

SILICA OR SILICA-RELATED DUST EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

- a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
 - b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.
- C. The following definitions are added to the Definitions Section:**
- 1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
 - 2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
CG 00 68 05 09

RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion q. of Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

q. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

- B. Exclusion p. of Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

p. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
CG 20 10 07 04**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations
Any person or organization for whom you are performing operations during the policy period when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy.	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
CG 32 34 01 05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

The term "spouse" is replaced by the following:

Spouse or registered domestic partner under California law.

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
CG 03 00 01 96**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DEDUCTIBLE LIABILITY INSURANCE**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

Coverage	SCHEDULE	
	Amount and Basis of Deductible PER CLAIM or PER OCCURRENCE	
Bodily Injury Liability OR	\$	\$
Property Damage Liability OR	\$	\$
Bodily Injury Liability and/or Property Damage Liability Combined	\$	\$2,000

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

APPLICATION OF ENDORSEMENT (Enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to damages for all "bodily injury" and "property damage", however caused):

- A.** Our obligation under the Bodily Injury Liability and Property Damage Liability Coverages to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above as applicable to such coverages.
- B.** You may select a deductible amount on either a per claim or a per "occurrence" basis. Your selected deductible applies to the coverage option and to the basis of the deductible indicated by the placement of the deductible amount in the Schedule above. The deductible amount stated in the Schedule above applies as follows:
- 1. PER CLAIM BASIS.** If the deductible amount indicated in the Schedule above is on a per claim basis, that deductible applies as follows:
 - a.** Under Bodily Injury Liability Coverage, to all damages sustained by any one person because of "bodily injury";
 - b.** Under Property Damage Liability Coverage, to all damages sustained by any one person because of "property damage"; or
 - c.** Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages sustained by any one person because of:
 - (1)** "Bodily injury";
 - (2)** "Property damage"; or
 - (3)** "Bodily injury" and "property damage" combined
 as the result of any one "occurrence".
- If damages are claimed for care, loss of services or death resulting at any time from "bodily injury", a separate deductible amount will be applied to each person making a claim for such damages.
- With respect to "property damage", person includes an organization.

2. PER OCCURRENCE BASIS. If the deductible amount indicated in the Schedule above is on a "per occurrence" basis, that deductible amount applies as follows:

- a. Under Bodily Injury Liability Coverage, to all damages because of "bodily injury";
- b. Under Property Damage Liability Coverage, to all damages because of "property damage"; or
- c. Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages because of:
 - (1) "Bodily injury";
 - (2) "Property damage"; or
 - (3) "Bodily injury" and "property damage" combined

as the result of any one "occurrence", regardless of the number of persons or organizations who sustain damages because of that "occurrence".

C. The terms of this insurance, including those with respect to:

- 1. Our right and duty to defend the insured against any "suits" seeking those damages; and
- 2. Your duties in the event of an "occurrence", claim, or "suit"

apply irrespective of the application of the deductible amount.

D. We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
CG 22 79 07 98

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – CONTRACTORS – PROFESSIONAL LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2., **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph 2., **Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability**:

1. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional services by you or on your behalf, but only with respect to either or both of the following operations:
 - a. Providing engineering, architectural or surveying services to others in your capacity as an engineer, architect or surveyor; and
 - b. Providing, or hiring independent professionals to provide, engineering, architectural or surveying services in connection with construction work you perform.
2. Subject to Paragraph 3. below, professional services include:
 - a. Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
 - b. Supervisory or inspection activities performed as part of any related architectural or engineering activities.
3. Professional services do not include services within construction means, methods, techniques, sequences and procedures employed by you in connection with your operations in your capacity as a construction contractor.

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
CG 21 76 01 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF PUNITIVE DAMAGES RELATED TO A CERTIFIED ACT OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM PUNITIVE DAMAGES

Damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.

B. The following definition is added:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

- C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.**

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
CG 24 04 05 09

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Person Or Organization:

All persons or organizations with whom you have agreed to waive such right of recovery in a written contract or agreement.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of Section IV – Conditions:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY
CG 20 37 07 04**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
<p>Any person or organization, when you and such parties have agreed in writing in a contract or agreement pertaining to "your work" performed during the policy period. This additional insured coverage does not apply to "excluded residential construction". "Excluded residential construction" means:</p> <ul style="list-style-type: none"> a) the ground-up construction of any building whose units will be individually owned and titled; and, b) "your work" performed on the conversion of any building into a condominium or townhome. 	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

COMMERCIAL GENERAL LIABILITY
CG 21 55 09 99

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**TOTAL POLLUTION EXCLUSION
WITH A HOSTILE FIRE EXCEPTION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion f. under Paragraph 2., **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

f. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

This exclusion does not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire" unless that "hostile fire" occurred or originated:

- (a) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

- (b) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

By: 
Authorized Representative

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BASIS OF PREMIUM ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is understood and agreed that **Section IV - Commercial General Liability Conditions** is amended to include the following definitions of basis of premium used for computing premiums for this coverage:

1. Gross Sales

a. Definition

The gross amount charged by the named insured, concessionaires of the named insured or by others trading under the insured's name for:

- (1) All goods or products, sold or distributed;
- (2) Operations performed during the policy period;
- (3) Rentals; and
- (4) Dues or fees.

b. Inclusions

The following items shall not be deducted from gross sales:

- (1) Foreign exchange discounts;
- (2) Freight allowance to customers;
- (3) Total sales of consigned goods and warehouse receipts;
- (4) Trade or cash discounts;
- (5) Bad debts; and
- (6) Repossession of items sold on installments (amount actually collected).

c. Exclusions

The following items shall be deducted from gross sales:

- (1) Sales or excise taxes which are collected and submitted to a governmental division;
- (2) Credits for repossessed merchandise and products returned;
- (3) Allowances for damaged and spoiled goods;
- (4) Finance charges for items sold on installments;
- (5) Freight charges on sales if freight is charged as a separate item on customer's invoice;
- (6) Royalty income from patent rights or copyrights which are not product sales; and
- (7) Rental receipts for products liability coverage only.

d. Application

The rates apply per \$1,000 of Gross Sales.

2. Total Cost

The total cost of all work let or sublet in connection with each specific project including:

- a. The cost of all labor, materials and equipment furnished, used or delivered for use in the execution of the work, however, do not include the cost of finished equipment installed but not furnished by the subcontractor if the subcontractor does no other work on or in connection with such equipment; and
- b. All fees, bonuses or commissions made, paid or due.

The rates apply per \$1,000 of Total Cost.

3. Payroll

a. Definition

- (1) Payroll means remuneration.
- (2) Remuneration means money or substitutes for money.

b. Inclusions

Payroll includes the following items:

- (1) Commissions;
- (2) Bonuses;
- (3) Extra pay for overtime work, except as provided in Paragraph 3.d.;
- (4) Pay for holidays, vacations or periods of sickness;
- (5) Payment by an employer of amounts otherwise required by law to be paid by employees to statutory insurance or pension plans, such as the Federal Social Security Act;
- (6) Payment to employees on any basis other than time worked, such as piecework, profit sharing or incentive plans;
- (7) Payment or allowance for hand tools or power tools used by hand provided by employees and used in their work or operations for the insured;
- (8) The rental value of an apartment or a house provided for an employee based on comparable accommodations;
- (9) The value of lodging, other than an apartment or house, received by employees as part of their pay, to the extent shown in the insured's records;
- (10) The value of meals received by employees as part of their pay to the extent shown in the insured's records;
- (11) The value of store certificates, merchandise, credits or any other substitute for money received by employees as part of their pay;
- (12) The payroll of mobile equipment operators and their helpers, whether or not the operators are designated or licensed to operate automobiles. If the operators and their helpers are provided to the insured along with equipment hired under contract and their actual payroll is not known, use 1/3 of the total amount paid out by the insured for the hire of the equipment;
- (13) The payroll of executive officers of a corporation and individual insureds and co-partners. For the purposes of payroll determination, managers of limited liability companies shall be considered executive officers and members of limited liability companies shall be considered co-partners;

The executive officers of a corporation are those persons holding any of the officer positions created by the named insured's charter, constitution or by-laws or any other similar governing document.

The payroll of all executive officers of a corporation and individual insureds or co-partners engaged principally in clerical operations or as salespersons, and officers and co-partners who are inactive for the entire policy period, shall not be included for premium purposes.

For part-time or seasonal businesses the payroll amounts may be reduced by 2 percent for each full calendar week in excess of twelve during which the risk performs no operations.
- (14) The payroll of leased workers furnished to the named insured by a labor leasing firm. Premium on such payroll shall be based on the classifications and rates which would have applied if the leased workers had been the direct employees of the named insured. If payroll is unavailable, use 100% of the total cost of the contract for leased workers as the payroll of leased workers. The premium shall be charged on that amount as payroll;

If investigation of a specific employee leasing contract discloses that a definite amount of the contract price represents payroll, such amount shall be considered payroll for premium computation purposes.
- (15) Fees paid to employment agencies for temporary personnel provided to the insured.

c. Exclusions

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY

HCS 040 17 07 14

- (1) Tips and other gratuities received by employees;
- (2) Payments by an employer to group insurance or group pension plans for employees, other than payments covered by Paragraph **3.b.(5)**;
- (3) The value of special rewards for individual invention or discovery;
- (4) Dismissal or severance payments except for time worked or accrued vacation;
- (5) The payroll of clerical office employees;
Clerical office employees are those employees who work in an area which is physically separated by walls, floors or partitions from all other work areas of the insured and whose duties are strictly limited to keeping the insured's books or records or conducting correspondence, including any other employees engaged in clerical work in the same area.
- (6) The payroll of salespersons, collectors or messengers who work principally away from the insured's premises. Salespersons, collectors or messengers are those employees engaged principally in any such duties away from the premises of the employer;
This term does not apply to any employee whose duties include the delivery of any merchandise handled, treated or sold.
- (7) The payroll of drivers and their helpers if their principal duties are to work on or in connection with automobiles;
- (8) The payroll of aircraft pilots or co-pilots if their principal duties are to work on or in connection with aircraft in either capacity; and
- (9) The payroll of draftsmen if their duties are limited to office work only and who are engaged strictly as draftsmen in such a manner that they are not exposed to the operative hazards of the business.

d. Overtime**(1) Definition**

Overtime means those hours worked for which there is an increase in the rate of pay:

1. For work in any day or in any week in excess of the number of hours normally worked, or
2. For hours worked in excess of 8 hours in any day or 40 hours in any week, or
3. For work on Saturdays, Sundays or Holidays.

In the case of guaranteed wage agreements, overtime means only those hours worked in excess of the number specified in such agreement.

(2) Exclusion of Overtime Payroll

The extra pay for overtime shall be excluded from the payroll on which premium is computed as indicated in (1) or (2), provided the insured's books and records are maintained to show overtime pay separately by employee and in summary by classification.

1. If the records show separately the extra pay earned for overtime, the entire extra pay shall be excluded.
2. If the records show the total pay earned for overtime (regular pay plus overtime pay) in one combined amount, 1/3 of this total pay shall be excluded. If double time is paid for overtime and the total pay for such overtime is recorded separately, 1/2 of the total pay for double time shall be excluded.

Exclusion of overtime pay does not apply to payroll assigned to the "Stevedoring" classifications.

e. Application

The rates apply per \$1,000 of payroll.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY

HCS 040 21 07 14

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**PRIMARY AND NON-CONTRIBUTING INSURANCE**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Name of Additional Insured Person(s) or Organization(s):	Location(s) of Covered Operations

The following is added to **Section IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 4.**Other Insurance:****4. Other Insurance**

- d. Notwithstanding the provisions of subparagraphs **a.**, **b.** and **c.** of this paragraph 4, with respect to the Entity shown above, it is understood and agreed that in the event of a claim or "suit" arising out of the Named Insured's negligence, this insurance shall be primary and any other insurance maintained by the Entity above shall be excess and non-contributory.

The Entity to whom this endorsement applies is:

Absence of a specifically named Entity above means that the provisions of this endorsement apply "as required by written contractual agreement with any Entity for whom you are performing work."

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY

HCS 050 24 07 14

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – PENDING AND PRIOR LITIGATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to paragraph 2. **Exclusions of SECTION I – COVERAGE A. – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, and paragraph 2. Exclusions of SECTION I – COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY.**

2. Exclusions

This coverage part does not apply to and we shall have no obligation or duty to defend the insured for:

Damage, loss, cost or expense arising out of any claim, "suit," action, demand, litigation, arbitration,

alternative dispute resolution or other judicial or administrative proceeding which has commenced or is pending prior to the effective date of this coverage part, and also does not apply to any future damages, loss, cost or expense arising out of said pending or prior litigation;

This exclusion applies whether or not:

- (a) Damages continue or progress during the period of this coverage part; or
- (b) Ultimate liability has been established; or
- (c) The final amount of damages, loss, cost or expense has been established.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY

HCS 050 27 07 14

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – OPERATIONS COVERED BY A
CONSOLIDATED (WRAP-UP) INSURANCE PROGRAM
(LIMITED OFF-SITE COVERAGE)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** The following exclusion is added to Paragraph 2. **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability, and Paragraph 2. Exclusions of Coverage B – Personal and Advertising Injury Liability:**

2.Exclusions

This insurance does not apply to:

“Bodily injury” or “property damage” or “personal and advertising injury” arising out of your ongoing operations or operations included within the “products-completed operations hazard” when a consolidated (wrap-up) insurance program has been provided for such operations or operations included in the “products-completed operations hazard”.

This exclusion applies whether or not the consolidated (wrap-up) insurance program:

- a. Provides coverage identical to that provided by this Coverage Part;
- b. Has limits adequate to cover all claims; or
- c. Remains in effect.

- B.** This exclusion does not apply to any off-site work related to a consolidated (wrap-up) insurance program in which you are an enrolled insured, excluded in Paragraph A. of this endorsement, but only if the off-site work is not covered by the consolidated (wrap-up) insurance program. This exception to the exclusion does not apply to any coverage provided under the “products-completed operations hazard”.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

POLICY NUMBER: U16AC85349-01

COMMERCIAL GENERAL LIABILITY

HCS 050 31 07 14

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**EXCLUSION – CONDOMINIUMS, TOWNHOMES,
TIMESHARES, AND TRACT HOMES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2. **Exclusions of SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and Paragraph 2. **Exclusions of SECTION I – COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY:**

2. Exclusions

This insurance does not apply to:

“Bodily injury”, “property damage” or “personal and advertising injury” arising out of the construction of:

- (1) “Condominiums” or “townhomes”;
- (2) Any location which has been or becomes converted into “condominiums” or “townhomes”, regardless of whether:
 - (a) any insured had involvement in the conversion;
 - (b) any insured had knowledge of the conversion;

(c) the conversion is prior to or subsequent to any insured’s work at the location.

- (3) Timeshare developments; or
- (4) Any project or location on which more than 15 houses have been built or are in any stage of development, planning, or construction.

This exclusion does not apply to:

- (1) Non-structural remodeling within one unit on a premises or in a building described in paragraphs 1, 2, or 3 above; or
- (2) Remodeling or additions to a single house in a development described in paragraph 4. above; or
- (3) Maintenance, service, or non-structural repairs to common areas of a completed and occupied development or project.

As used in this exclusion, “condominiums” and “townhomes” mean a unit of residential real property in a multi-unit residential building or project where each unit is separately owned and titled.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

Policy Number: U16AC85349-01

U.S. Specialty Insurance Company

**CONTRACTORS PROPERTY COVERAGE PART
DECLARATIONS**

Named of Insured and Mailing Address:	Producer Name, Address, Phone Number:
UNEDUS CONCRETE INC DBA CASTILLO CONSTRUCTION 2215 LIBERATA DRIVE MORGAN HILL, CA 95037	Fusco & Orsini Insurance Services, Inc. 5095 Murphy Canyon Road Ste 200 San Diego, CA 92123

Policy Period: From: 01/09/2016 To: 01/09/2017	12:01 A.M. Standard Time at Mailing Address Shown
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The Insured is: Corporation
 Business Description: Concrete Contractor
 Painting Contractor

In return for your payment of the premium, we provide insurance described in the policy.

“Your” premises include your physical mailing address and the following physical addresses:

1. Per information on file with Company

Total Annual Premium \$ 327

Contractor Personal Property General Forms	Contractor Personal Property State Specific Forms
HCS 020 02 07 14	IL 09 52 01 15
HCS 070 01 06 14	HCS 040 23 07 14

Per Common Policy Declaration

Producer Information:

Countersignature: _____ Date: _____

HCS 020 02 07 14

**SUPPLEMENTAL DECLARATIONS
SCHEDULE OF PROPERTY COVERAGES AND LIMITS**

Coverage	Limits of Insurance	Theft/ Burglary Deductible	All Other Deductible
Business Personal Property On- Premises	\$ 5,000	\$ 1,000	\$ 250
Business Personal Property Off Premises	\$ 2,500	\$ 1,000	\$ 250
Personal Effects	\$ 500	\$ 250	\$ 250
Property of Customers, Suppliers, or Subcontractors in your CCC at your described premises	\$ 3,000	\$ 250	\$ 250
Outdoor Signs	\$ 2,000	\$ 500	\$ 250
Lock & Key Replacement due to theft (of keys in your care, custody, or control)	Up to \$ 500 (if key theft or burglary damage.)	\$ 500 (Does not apply to keys of others in your care, custody and control.)	Does Not Apply
Salespersons Samples Carpets Tiles Wallpapers etc.	\$ 500	\$ 250	\$ 250
Contractors Equipment and Tools	\$ 10,000	\$ 500	\$ 250
Rental Reimbursement - Waiting Period 72 hours	\$ 3,000	Does Not Apply	Does Not Apply
Installation Floater	\$ 10,000 One Jobsite / \$ 10,000 All Jobsites and Locations	\$ 500	\$ 250
Installation Floater - Materials & Supplies in Transit or Temporary Storage	\$ 2,500	\$ 500	\$ 250
Installation Floater - Contract Penalty	\$ 2,500	\$ 500	\$ 250
Computers Hardware + Software On-premises	\$ 3,000	\$ 500	\$ 250
Computers Hardware + Software Off-premises	\$ 2,000	\$ 500	\$ 250
Accounts Receivable	\$ 1,500	Does Not Apply	Does Not Apply
Valuable Papers and Records	\$ 1,000	\$ 500	\$ 250
Property in Transit	\$ 2,500	\$ 500	\$ 250

ARTISAN CONTRACTORS PERSONAL PROPERTY COVERAGE FORM

TABLE OF CONTENTS

	Page
Agreement	2
 Property Coverage	
Accounts Receivable	19
Business Personal Property On-premises	3
Business Personal Property Off-premises	6
Computers – Hardware and Software Off-premises	18
Computers – Hardware and Software On-premises	17
Contractors Tools and Equipment.....	11
 Definitions	 2
Excluded Causes of Loss	7
How Much We Pay	25
Installation Floater	13
Installation Floater - Contract Penalty	15
Installation Floater Materials and Supplies in Storage	15
 Installation Floater Materials and Supplies in Transit.....	 15
Lock & Key Replacement	6
Loss Payment	26
Other Property Coverage Conditions	26
Outdoor Signs.....	6
Personal Effects	6
 Personal Property of Others	 6
Property in Transit	23
Rental Reimbursement.....	12
Salesperson's Samples	7
Valuable Papers and Records.....	21
Valuation.....	25
 What Must Be Done In Case of Loss	 23

Endorsements may also apply. They are identified on the "declarations" page. Refer to the Definitions for words that have special meanings. These words are shown in quotation marks or bold type.

AGREEMENT

Subject to all the "terms" that apply, and in return for "your" payment of the required premium, "we" provide the coverages described in this coverage form during the policy period.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this coverage form the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

"Declarations" means all pages labeled "declarations", "supplemental declarations", or "schedules", which pertain to this policy. "Limit" means the amount of coverage that applies. "Terms" means provisions, limitations, exclusions, conditions, and definitions that apply. Other words and phrases that appear in quotation marks have special meaning. Refer to Definitions below.

PROPERTY INSURANCE

This Property Insurance Section contains the definitions, coverage descriptions, causes of loss, exclusions, limitations, and conditions that apply to the Property Coverages.

DEFINITIONS

1. "Basic territory" means the United States of America, its territories and possessions, Canada, and Puerto Rico.
2. "Electrical disturbance" means electrical or magnetic damage, disturbance of electronic recordings, or erasure of electronic recordings.
3. "Hardware" means an assemblage of electronic machine components capable of accepting instructions and information, processing the information according to the instructions, and producing desired results.
4. "Job site" means any location, project, or work site "you" do not own, lease, or operate where "you" are involved in an installation, construction, or erection project.
5. "Mechanical breakdown" means mechanical breakdown or malfunction, component failure, faulty installation, or blowout.
6. "Money" means currency, coins, bank notes in current use; and traveler's checks and money orders held for sale.
7. "Pollutants" means any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned.
8. "Power supply disturbance" means interruption of power supply, power surge, blackout, or brownout.
9. "Securities" means negotiable and nonnegotiable instruments representing either "money" or other property. This includes tokens, tickets, revenue, or other stamps in current use, and evidences of debt used in connection with credit cards, but does not include "money".

10. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation. It does not include the value of the land or the cost of filling sinkholes.
11. "Software" means:
- a. processing, recording, or storage media used for electronic data processing operations. This includes films, tapes, cards, discs, drums, cartridges, or cells; and
 - b. data, information, and instructions stored on processing, recording, or storage media used for electronic data processing operations.
12. "Specified causes of loss" means aircraft; civil commotion; explosion; falling objects; fire; hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm, all except as excluded or limited.
- Falling objects does not include loss to personal property in the open or to the interior of buildings or structures or personal property inside buildings or structures unless the exterior of the roof or walls are first damaged by a falling object.
- Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.
13. "Storage location" means any location "you" do not own, lease, or operate where covered property is stored prior to delivery to a "job site".
14. "Transit" means the shipment of covered property that:
- a. begins at the point of shipment to a specific destination;
 - b. includes the ordinary reasonable and necessary stops, interruptions, delays, or transfers incidental to the route and method of shipment, including rest periods taken by the driver(s); and
 - c. ends upon acceptance of the goods by or on behalf of the consignee at the specified destination.
15. "Valuable papers and records" means written, printed, or otherwise inscribed documents and records. This includes books, maps, films, drawings, abstracts, deeds, mortgages, and manuscripts.
16. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow. It does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss to the covered property.

PROPERTY COVERAGES

BUSINESS PERSONAL PROPERTY COVERAGE

"We" cover direct physical loss to Business Personal Property, caused by a covered cause of loss.

This means "your" business personal property in the buildings and structures described on the "declarations" or in the open (or in vehicles) on or within 100 feet of the described premises and for which a "limit" is shown on the "declarations". This includes:

Page 4 of 28

1. "your" interest in personal property of others in "your" care, custody, or control, to the extent of "your" legal liability, plus the cost of "your" labor, material, and services;
2. "your" use interest as tenant in improvements to the described building or structure. Improvements are fixtures, alterations, installations, or additions:
 - a. to a building or structure "you" occupy but do not own; and
 - b. made or acquired at "your" expense and which cannot be legally removed by "you"; and,
3. leased personal property which "you" have a contractual responsibility to insure;

BUSINESS PERSONAL PROPERTY NOT COVERED

The property described below is not covered under Business Personal Property. Limited coverage for some of the property described below is included under Additional Coverages or Extensions of Coverage.

1. **Antennas, Fences, and Signs** -- Except as provided under Additional Coverages, "we" do not cover outdoor:
 - a. radio, television, satellite, dish-type, or other antennas or their masts, towers, or lead-in wiring;
 - b. fences; or
 - c. signs.
2. **Boilers** -- "We" do not cover loss to steam boilers, steam pipes, steam turbines, steam engines, hot water boilers or water heaters.
3. **Bullion** -- "We" do not cover bullion.
4. **Contraband** -- "We" do not cover contraband or property in the course of illegal transportation or trade.
5. **Glassware/Fragile Articles** -- "We" do not cover breakage of fragile articles such as glassware, statuary, porcelains, and bric-a-brac.
6. **Interior of Buildings** -- "We" do not cover loss to personal property inside of buildings or structures caused by rain, snow, sleet, ice, sand, or dust, unless:
 - a. entering through openings made by a covered cause of loss; or
 - b. the loss is caused by the thawing of snow, sleet, or ice on the building or structure.
7. **Jewelry, Watches, Jewels, Pearls, Precious Stones, and Metals** -- "We" do not cover loss of jewelry; watches; watch movements; jewels; pearls; precious, or semi-precious stones; gold, silver, or other precious metals; or items consisting primarily of precious metals, which belong to you.
8. **Land, Water, Growing Crops, or Lawns** -- "We" do not cover:
 - a. land, including land on which the property is located;
 - b. underground or surface water; or
 - c. growing crops or lawns.

9. **Lottery Tickets** -- "We" do not cover lottery tickets not held for sale.
10. **Missing Property** -- "We" do not cover missing property where the only proof of loss is unexplained or mysterious disappearance, shortage discovered on taking inventory, or other instances where there is no physical evidence of forced entry and burglary or theft which you report to the appropriate authority.
11. **Money and Securities** -- "We" do not cover "money", or "securities".
12. **Personal Property in the Open** -- "We" do not cover loss to personal property in the open caused by rain, snow, ice, or sleet.
13. **Trees, Shrubs, and Plants** -- Except as provided under Extensions of Coverages, "we" do not cover trees, shrubs, plants, or grain, hay, straw, or other crops, when outdoors.
14. **Vehicles and Aircraft** -- "We" do not cover aircraft or vehicles or self-propelled machines required to be licensed for use on public roads.
15. **Watercraft** -- "We" do not cover watercraft (including their motors, equipment, or accessories) while afloat.

BUSINESS PERSONAL PROPERTY ADDITIONAL COVERAGES

The following Additional Coverages apply at each premises for which a Business Personal Property "limit" is shown on the "declarations".

Unless otherwise stated, each additional coverage is an additional amount of insurance.

1. **Collapse** -- "We" pay for loss caused by direct physical loss at "your" premises shown in the declarations involving collapse of a building or structure or any part of a building or structure caused only by one or more of the following:
 - a. a "specified cause of loss"; all only as covered in the Property Coverages;
 - b. hidden decay;
 - c. hidden insect or vermin damage;
 - d. weight of people or business personal property;
 - e. weight of rain that collects on a roof; or
 - f. the use of defective materials or methods in construction, remodeling, or renovation if the "collapse" occurs during the course of the construction, remodeling, or renovation.

If otherwise covered under the Property Coverages, "we" do not pay for loss to the following types of property under items b. through f. above, unless the loss is a direct result of the collapse of a building or structure:

outdoor radio, television, satellite, dish-type, or other antennas including their masts, towers, or lead-in wiring; outdoor awnings or canopies or their supports; fences; gutters or downspouts; yard fixtures; outdoor swimming pools; piers, wharves, or docks; beach or diving platforms or appurtenances; retaining walls; foundations; or walks, roadways, or other paved surfaces.

Collapse does not include settling, cracking, shrinking, bulging, or expanding.

This does not increase the "limit" for the covered property.

BUSINESS PERSONAL PROPERTY EXTENSIONS OF COVERAGE

The following Extensions of Coverage apply when a "limit" is shown on the "declarations" for each of the extensions below.

Unless otherwise stated, each extension of coverage is an additional amount of insurance which applies to losses at covered locations caused by a covered cause of loss.

- a. **Personal Effects** -- "We" pay up to the amount shown in the "Declarations", at each described premises, for loss to personal effects owned by "you", "your" officers, "your" partners, or "your" employees. This coverage is limited to \$100 for property owned by any one person.
- b. **Personal Property -- Off Premises** -- "We" pay up to the amount shown on the "Declarations", for loss to covered business personal property while temporarily at locations that "you" do not own, control, rent, or lease. "We" only cover loss at such locations within the "basic territory". This coverage includes property while in transit, at a job site, or at a trade-related event or exhibition.

Covered property includes:

- 1) portable presentation and office equipment other than computer hardware, software, and data, including spare parts and accessories; and
- 2) related materials and supplies, that are owned by "you", or for which "you" are legally liable.

"We" do not cover theft loss from unattended vehicles unless the loss results from forced entry of a securely locked compartment. There must be visible evidence that entry was forced, and the crime must be reported to the appropriate authority.

- c. **Personal Property of Others** -- "We" pay up to the amount shown on the "declarations", at each described premises, for loss to personal property of others in "your" care, custody, or control. This coverage is only for the benefit of the owners of the personal property.

"We" do not cover theft loss from unattended vehicles unless the loss results from forced entry of a securely locked compartment. There must be visible evidence that entry was forced, and the crime must be reported to the appropriate authority.

- d. **Outdoor Signs** -- "We" pay up to the amount shown in the Declarations for loss to "your" outdoor signs which are not attached to building(s) at your location(s) shown in the "Declarations" but are located within 100 feet of your location or the driveway or road which is part of "your" location, caused by a covered cause of loss.
- e. **Lock Replacement** -- "We" pay up to the amount shown in the "Declarations" for loss to cover necessary expenses to repair or replace exterior or interior door locks of a covered location including a "jobsite" or temporary storage facility:
 - (1) If "your" door keys or door keys of a customer in your care, custody, or control, are stolen in a covered theft loss; or,
 - (2) If your locks are damaged by thieves, burglars, or vandals. This does not apply to:
 - (a) your locks on vehicles, trailers, wagons, or portable tool chests, tubs, boxes, or containers, or,
 - (b) locks, chains, or cables used to securely fasten or lock something portable into a fixed theft-resistant location.

The deductible shown in the declarations for this coverage does not apply when door keys of a customer in your care, custody, or control, are stolen in a covered "theft" loss evident by forced entry into a covered location and documented by a police or sheriff's report of the crime.

"We" do not cover theft loss from unattended vehicles unless the loss results from forced entry of a securely locked compartment. There must be visible evidence that entry was forced, and the crime must be reported to the appropriate authority.

The most we will pay under this extension for any one occurrence is the amount shown in the "Declarations".

- f. **Removal** -- "We" cover loss to covered property while moved or being moved from the described premises for preservation from loss caused by a covered cause of loss. "We" pay for any direct physical loss to that property. This coverage applies for up to 30 days after the property is first moved.

This does not increase the "limit" for the covered property.

- g. **Salespersons' Samples** -- We pay for property loss caused by a "specified cause of loss" up to the amount shown in the "Declarations" in any one occurrence for:

- a. Samples of your materials, supplies, and stock in trade (including containers); and,
- b. Similar property of others;

but only while such property is in:

- a. Your custody while you are acting as a sales representative; or,
- b. In the custody of your sales representative, agent, or sales representative employee.

The deductible shown in the declarations for this coverage does not apply when samples of others in your care, custody, or control, are destroyed by a "specified cause of loss".

The most we will pay under this extension for any one occurrence is the amount shown in the "Declarations".

COVERED CAUSES OF LOSS

"We" cover risks of direct physical loss unless the loss is limited or caused by a cause of loss that is excluded.

EXCLUDED CAUSES OF LOSS

"We" do not pay for loss if one or more of the following exclusions apply to the loss, regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events. These excluded causes of loss apply to all coverages in this Coverage Part unless otherwise amended in coverage terms.

1. **Animals** -- "We" do not pay for loss caused by nesting or infestation, or discharge or release of waste products or secretions of animals, including birds, or insects. "We" pay for any resulting breakage of building glass or loss caused by a "specified cause of loss".
2. **Civil Authority** -- "We" do not pay for loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" do pay for loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a cause of loss excluded under this coverage form.

3. **Collapse** -- "We" do not pay for loss caused by collapse, except as provided in the Additional Coverage for Collapse. If loss caused by a covered peril results at the described premises, "we" pay for that resulting loss.
4. **Contamination or Deterioration** -- "We" do not pay for loss caused by contamination or deterioration including corrosion, decay, fungus, mildew, mold, rot, rust, or any quality, fault, or weakness in property that causes it to damage or destroy itself. "We" do pay for any resulting breakage of building glass or loss caused by a "specified peril".
5. **Criminal, Fraudulent, or Dishonest Acts**
 -- "We" do not pay for loss caused by criminal, fraudulent, dishonest, or illegal acts, alone or in collusion with another, by:
 - a. "you";
 - b. others who have an interest in the property;
 - c. others to whom "you" entrust the property;
 - d. "your" partners, officers, directors, trustees, joint venturers; or
 - e. the employees (including leased employees) or agents of a., b., c., or d. above, whether or not they are at work.

This exclusion does not apply to acts of destruction of property by "your" employees (including leased employees), but theft by employees (including leased employees) is not covered by this coverage form.

6. **Defects, Errors, and Omissions** -- "We" do not pay for loss which results from one or more of the following:
 - a. an act, error, or omission (negligent or not) relating to:
 - 1) land use;
 - 2) the design, specification, construction, workmanship, installation, or maintenance of property;
 - 3) planning, zoning, development, siting, surveying, grading, or compaction; or
 - 4) maintenance of property (including land, structures, or improvements);

whether on or off the described premises;
 - b. a defect, a weakness, the inadequacy, a fault, or unsoundness in materials used in construction or repair, whether on or off the described premises;
 - c. an error in design; or
 - d. a data processing error or omission in programming or giving improper instructions.

In addition, "we" do not pay for loss to Business Personal Property caused by deficiency or defects in design, specifications, materials, or workmanship, or caused by latent or inherent defects.

"We" do pay for any resulting loss caused by a covered cause of loss unless the resulting loss itself is excluded.

7. **Earth Movement or Volcanic Eruption** -- "We" do not pay for loss caused by any earth movement (other than "sinkhole collapse") or caused by eruption, explosion, or effusion of a volcano. Earth movement includes, but is not limited to, earthquake; landslide; mudflow; mudslide; mine subsidence; or sinking, rising, or shifting of earth.

"We" do pay for direct physical loss by fire, explosion, or "volcanic action" resulting from either earth movement or eruption, explosion, or effusion of a volcano.

All volcanic eruptions that occur within a 168 hour period will be considered a single loss.

8. **Electrical Currents** -- "We" do not pay for loss caused by arcing or by electrical currents other than lightning. If a fire results, "we" pay for only the loss caused by fire.
9. **Explosion** -- "We" do not pay for loss caused by explosion of steam boilers, steam pipes, steam turbines, or steam engines that "you" own or lease or that are operated under "your" control. If a fire or combustion explosion results, "we" do pay for the resulting loss. "We" also pay for loss caused by the explosion of gas or fuel in a firebox, combustion chamber, or flue.
10. **Freezing** -- "We" do not pay for loss caused by water, other liquids, powder, or molten material that leaks or flows from plumbing, heating, air-conditioning systems, or appliances (other than fire protective systems) as a result of freezing. This does not apply if "you" use reasonable care to maintain heat in the building or structure; or "you" drain the equipment and turn off the supply if the heat is not maintained.
11. **Mechanical Breakdown** -- "We" do not pay for loss caused by mechanical breakdown or rupturing or bursting of moving parts of machinery caused by centrifugal force. "We" do pay for any resulting breakage of building glass or loss caused by a "specified cause of loss".
12. **Nuclear Hazard** -- "We" do not pay for loss caused by a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by, contributed to, or aggravated by a covered cause of loss; and whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct physical loss by fire resulting from the nuclear hazard is covered.
13. **Ordinance or Law** -- "We" do not pay for loss or increased cost caused by enforcement of any code, ordinance, or law regulating the use, construction, or repair of any building or structure; or requiring the demolition of any building or structure including the cost of removing its debris; except as provided in the Additional Coverage for Increased Costs -- Ordinance or Law.
14. **Pollutants** -- "We" do not pay for loss caused by release, discharge, seepage, migration, dispersal, or escape of "pollutants" unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified cause of loss". "We" do pay for any resulting loss caused by a "specified cause of loss".
15. **Seepage** -- "We" do not pay for loss caused by, or resulting from, continuous or repeated seepage or leakage from within a plumbing, heating, or air-conditioning system, or domestic appliance.
16. **Settling, Cracking, Shrinking, Bulging, or Expanding** -- "We" do not pay for loss caused by settling, cracking, shrinking, bulging, or expanding of pavements, footings, foundations, walls, ceilings, or roofs. "We" do pay for any resulting breakage of building glass or loss caused by a "specified cause of loss".
17. **Smog** -- "We" do not pay for loss caused by smog.

18. **Smoke, Vapor, or Gas** -- "We" do not pay for loss caused by smoke, vapor, or gas from agricultural smudging or industrial operations.
19. **Temperature/Humidity** -- "We" do not pay for loss to personal property caused by dampness, dryness, or changes in or extremes of temperature. "We" do pay for any resulting breakage of building glass or loss caused by a "specified cause of loss".
20. **Testing** -- "We" do not pay for loss caused by testing including start-up, performance, stress, pressure, or overload testing of the covered property.
21. **Utility Failure** -- "We" do not pay for loss caused by interruption of power or other utility services resulting from any cause if the interruption takes place away from the described premises. Interruption includes reduced or increased voltage, low or high pressure, or other interruptions of normal services.

"We" do pay for the direct physical loss by a covered cause of loss which occurs on the described premises as a result of any power interruption.

22. **Voluntary Parting** -- "We" do not pay for loss caused by voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.
23. **War** -- "We" do not pay for loss caused by war. This means:
 - a. declared war, undeclared war, civil war, insurrection, rebellion, or revolution;
 - b. a warlike act by a military force or by military personnel;
 - c. the destruction, seizure, or use of the property for a military purpose; or
 - d. the discharge of a nuclear weapon, even if it is accidental.
24. **Water** -- "We" do not pay for loss caused by water. This means:
 - a. flood, surface water, waves, tidal water, or the overflow of a body of water. This includes spray that results from these whether driven by wind or not;
 - b. water that backs up through a sewer or drain; and
 - c. water below the surface of the ground. This includes water that exerts pressure on; or flows, seeps, or leaks through or into:
 - 1) basements whether paved or not;
 - 2) doors, windows, or other openings;
 - 3) foundations, floors, or paved surfaces; or
 - 4) swimming pools, septic tanks, or other structures.

If fire, explosion, or sprinkler leakage results, "we" do pay for the resulting loss.

25. **Wear and Tear** -- "We" do not pay for loss caused by wear and tear, marring, or scratching. "We" do pay for any resulting breakage of building glass or loss caused by a "specified cause of loss".
26. **Weather** -- "We" do not pay for loss caused by weather conditions if the weather conditions contribute in any way with a cause or event excluded in one or more of these causes of loss: Civil Authority, Earth Movement or Volcanic Eruption, Nuclear Hazard, Ordinance or Law, Utility Failure, Water, or War.

"We" do pay for any resulting loss caused by a covered cause of loss unless the resulting loss itself is excluded.

VALUATION OF BUSINESS PERSONAL PROPERTY LOSSES

Loss payment for Business Personal Property will be based upon the actual cash value at the time of the loss with a deduction for depreciation.

CONTRACTORS' EQUIPMENT AND TOOLS COVERAGE

This coverage is subject to the provisions of this Coverage Part, except as provided below:

PROPERTY COVERED

With respect to this coverage:

- 1) "We" cover direct physical loss caused by a covered cause of loss to:
 - a) "your" contractors' equipment and tools;
 - b) tools owned by "your" employees; and,
 - c) a tool or item of equipment in "your" care, custody, or control, which you have rented temporarily to replace a tool or item of equipment of "yours", or owned by "your" employee, which sustained direct physical loss caused by a covered cause of loss.

2) Property Not Covered

The property described below is not covered:

- a) **Aircraft or Watercraft** -- "We" do not cover aircraft or watercraft.
- b) **Automobiles and Trucks** -- "We" do not cover automobiles, motor trucks, tractors, trailers, and similar conveyances designed for highway use and used for over the road transportation of people or cargo. However, this does not include:
 - (1) self-propelled vehicles designed and used primarily to carry mounted equipment; or
 - (2) vehicles designed for highway use that are unlicensed and not operated on public roads.
- c) **Loaned, Leased, or Rented Property** -- "We" do not cover property that "you" loan, lease, or rent to others.
- d) **Tires or Tubes** -- "We" do not cover tires or tubes except for loss directly caused by fire, windstorm or theft.
- e) **Waterborne Property** -- "We" do not cover property while waterborne except while in transit in the custody of a carrier for hire.
- f) **Property of Others** -- "We" do not cover property of others in your care, custody, or control, other than tools of "your" employees, and a tool or item of equipment which you have rented temporarily to replace a tool or item of equipment of "yours", or owned by "your" employee, which sustained direct physical loss caused by a covered cause of loss.

CONTRACTORS' EQUIPMENT AND TOOLS COVERED CAUSES OF LOSS

Covered causes of loss is deleted and replaced by the following with respect to this coverage:

"We" cover risks of direct physical loss unless the loss is limited or caused by a cause of loss that is excluded.

CONTRACTORS' EQUIPMENT AND TOOLS - EXCLUDED CAUSES OF LOSS and ADDITIONAL EXCLUSIONS

1) Of the exclusions contained in this Coverage Part, only the following apply to this coverage:

- a) Civil Authority;
- b) Nuclear Hazard;
- c) War;
- d) Contamination or Deterioration;
- e) Criminal, Fraudulent, or Dishonest Acts;
- f) Mechanical Breakdown;
- g) Pollutants;
- h) Temperature/Humidity;
- i) Voluntary Parting; and
- j) Wear and Tear.

2) The following exclusions are added with respect to this coverage:

"We" do not pay for loss if one or more of the following exclusions apply to the loss:

- a) **Loss of Use** -- "We" do not pay for loss caused by or resulting from loss of use, business interruption, delay, or loss of market.
- b) **Missing Property** -- "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence of forced entry and burglary or theft which you report to the appropriate authority. This exclusion does not apply to covered property in the custody of a carrier for hire.

VALUATION OF PROPERTY LOSSES

Loss payment for Contractors Equipment, will be based upon the actual cash value at the time of the loss with a deduction for depreciation.

RENTAL REIMBURSEMENT COVERAGE

This coverage is subject to the provisions of the Contractors' Equipment section above, except as provided below:

In the event of a loss by a covered cause of loss to covered contractors' equipment that "you" own, "we" will reimburse "you" for "your" expense to rent similar equipment while "your" equipment is inoperable. The most "we" will reimburse "you" is the "limit" shown on the "Declarations" for Rental Reimbursement.

"We" will continue to reimburse "you" for the rental of equipment after the expiration date of this policy, provided the loss occurred before the expiration date.

"We" will not reimburse "you":

- a. for the rental of equipment until after 72 hours have passed since the covered property was rendered inoperable. After 72 hours have passed "we" will only reimburse "you" for the rental expense that "you" actually incur.

Page 13 of 28

- b. if "you" can continue or resume "your" operations with similar equipment that is available to "you" at no additional expense to "you". In addition "we" will reduce the amount "we" reimburse "you" to the extent "you" can substitute other available equipment for the equipment sustaining loss.
- c. for the rental expense of any equipment unless "you" make every reasonable effort to repair, replace, or rebuild the inoperable equipment after the covered loss occurs.
- d. for obsolete equipment, if repairs cannot be made to the equipment sustaining loss because parts or items of equipment are not available due to obsolescence. However, in this situation "we" will reimburse "you" the lesser of the "limit" or up to ten days of rental expenses.

INSTALLATION FLOATER COVERAGE

This coverage is subject to the provisions of this Coverage Part, except as provided below:

PROPERTY COVERED

"We" cover direct physical loss to covered property caused by a covered cause of loss while at a "job site".

Covered property consists of:

1. "Your" materials, supplies, machinery, fixtures, and equipment; and
2. similar property of others that is in "your" care, custody, or control,

which will become a permanent part of "your" installation, construction, or erection project.

PROPERTY NOT COVERED

The property described below is not covered under the "terms" of this coverage.

1. **Airborne Property** -- "We" do not cover property while airborne except while in transit on a regularly scheduled airline flight.
2. **Buildings and Structures** -- "We" do not cover buildings and structures. However, "we" do cover property that will become a permanent part of "your" installation, construction, or erection project in connection with any building or structure.
3. **Drawings and Plans** -- "We" do not cover loss or damage that results from a defect, error, or omission in any blueprint, design, drawing, or specification.
4. **Machinery, Tools, and Equipment** -- "We" do not cover machinery, tools, equipment, or similar property which will not become a permanent part of "your" installation, construction, or erection project.
5. **Damage to Existing** -- "We" do not cover materials, supplies, machinery, fixtures, and equipment, which are installed and have become a permanent part of "your" installation, construction, or erection project.
6. **Waterborne Property** -- "We" do not cover property while waterborne except while in transit in the custody of a carrier for hire.

INSTALLATION FLOATER - ADDITIONAL PROPERTY EXCLUDED AND LIMITATIONS

The exclusions and limitations described below apply to this coverage:

1. **Boilers** -- "We" do not cover loss to steam boilers, steam pipes, steam turbines, or steam engines caused by any condition or occurrence within such equipment. "We" do cover loss to such equipment caused by the explosion of gas or fuel in a firebox, combustion chamber, or flue.

"We" do not cover loss to hot water boilers or water heaters caused by any condition or occurrence within such equipment other than explosion.

2. **Glass Breakage** -- "We" do not cover building glass breakage (other than glass building blocks) for more than \$100 for any plate, pane, multiple plate insulating unit, heating pane, jalousie, louver, or shutter; or more than \$500 in any one occurrence. These "limits" do not apply to loss by a "specified cause of loss" other than vandalism.
3. **Missing Property** -- "We" do not cover missing property where the only proof of loss is unexplained or mysterious disappearance, shortage discovered on taking inventory, or other instances where there is no physical evidence of forced entry and burglary or theft which you report to the appropriate authority. This exclusion does not apply to covered property in the custody of a carrier for hire.

INSTALLATION FLOATER - ADDITIONAL COVERAGES

The following Additional Coverages apply with respect to coverage provided by this coverage:

Unless otherwise stated, each additional coverage is an additional amount of insurance.

1. **Collapse** -- "We" pay for loss caused by direct physical loss involving collapse of a building or structure or any part of a building or structure caused only by one or more of the following:
 - a. a "specified cause of loss", all only as covered in the Property Coverages;
 - b. hidden decay;
 - c. hidden insect or vermin damage;
 - d. weight of people or business personal property;
 - e. weight of rain that collects on a roof; or
 - f. the use of defective materials or methods in construction, remodeling, or renovation if the "collapse" occurs during the course of the construction, remodeling, or renovation.

If otherwise covered under the Property Coverages, "we" do not pay for loss to the following types of property under items b. through f. above, unless the loss is a direct result of the collapse of a building or structure:

outdoor radio, television, satellite, dish-type, or other antennas including their masts, towers, or lead-in wiring; outdoor awnings or canopies or their supports; fences; gutters or downspouts; yard fixtures; outdoor swimming pools; piers, wharves, or docks; beach or diving platforms or appurtenances; retaining walls; foundations; or walks, roadways, or other paved surfaces.

Collapse does not include settling, cracking, shrinking, bulging, or expanding.

This does not increase the "limit" for the covered property.

2. **Contract Penalty** -- "We" pay for the cost of contract penalties for non-completion that "you" are assessed or are required to pay because "you" are unable to complete a covered installation, construction, or erection project in accordance with contract terms or conditions.

"Your" inability to complete "your" installation project on time must directly result from a loss to covered property by a covered cause of loss.

The most "we" pay for all contractual penalties in any one occurrence is the amount shown in the "Declarations".

3. **Debris Removal** -- "We" cover the cost to remove the debris of covered property that is caused by a covered cause of loss. This coverage does not include costs to:

- a. extract "pollutants" from land or water; or
- b. remove, restore, or replace polluted land or water.

"We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss. "We" do not pay more for loss to property and debris removal combined than the "limit" for the damaged property.

However, "we" pay an additional amount of debris removal expense up to \$10,000 when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.

"We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

4. **Removal** -- "We" cover loss to covered property while moved or being moved from a "job site" or "storage location" for preservation from loss caused by a covered cause of loss. "We" pay for any direct physical loss to that property. This coverage applies for up to 30 days after the property is first moved.

This does not increase the "limit" for the covered property.

5. **Storage Location** -- "We" cover loss to covered property at a temporary "storage location" awaiting installation, construction, or erection.

The most "we" pay under this coverage at any one location in one occurrence is the amount shown on the "Declarations".

6. **Transit** -- "We" cover "your" property while in transit.

The most "we" pay under this coverage in any one occurrence is the amount shown on the "Declarations".

COVERED CAUSES OF LOSS

Covered Causes of Loss is deleted and replaced by the following with respect to this coverage:

"We" cover risks of direct physical loss unless the loss is limited or caused by a cause of loss that is excluded in this form or by one or more of these Additional Exclusions.

ADDITIONAL EXCLUSIONS

The Additional Exclusions for Collapse; Defects, Errors, and Omissions; and Explosion are deleted and replaced by the following "terms", with respect to this coverage. Unless otherwise stated, all other "terms" under Additional Exclusions apply to this coverage.

"We" do not pay for loss if one or more of the following exclusions apply to the loss:

1. **Collapse** -- "We" do not pay for loss caused by collapse, except as provided by the Additional Coverage for Collapse. If loss caused by a covered cause of loss results at a covered location, "we" pay for that resulting loss.
2. **Defects, Errors, and Omissions** -- "We" do not pay for loss which results from one or more of the following:
 - a. an act, error, or omission (negligent or not) relating to:
 - 1) the design, specification, construction, workmanship, installation, or maintenance of property;
 - 2) planning, zoning, development, siting, surveying, grading, or compaction; or
 - 3) maintenance of property (including land, structures, or improvements);

whether on or off the "job site".
 - b. a defect, a weakness, the inadequacy, a fault, or unsoundness in materials used in construction or repair, whether on or off the "job site";
 - c. an error in design; or
 - d. a data processing error or omission in programming or giving improper instructions.

In addition, "we" do not pay for loss to covered property caused by deficiency or defects in design, specifications, materials, or workmanship, or caused by latent or inherent defects.

"We" do pay for any resulting loss caused by a covered cause of loss unless the resulting loss itself is excluded.

3. **Explosion** -- "We" do not pay for loss caused by explosion, rupture, or bursting of steam boilers, steam or gas turbines, steam pipes, or steam engines.

This exclusion applies only to loss or damage to the steam boilers, steam or gas turbines, steam pipes, or steam engines in which the loss occurred.

VALUATION

With respect to this coverage, the following loss valuation provision applies:

Actual Cost To Repair, Replace, or Rebuild -- The value of covered property will be based on the lesser of the following amounts:

1. the actual cost to repair, replace, or rebuild the covered property with materials of like kind and quality. The actual cost may include material, labor, reasonable overhead and profit, and delivery charges; or
2. the amount "you" actually spend to repair, replace, or rebuild the covered property.

In no event will "we" pay more than the "limit" shown on the "Declarations".

HOW MUCH WE PAY

The following additional provision applies with respect to this coverage:

All Jobsites and Locations Limit -- When a covered cause of loss causes loss or damage at more than one "job site", at more than one "storage location", or at any combination of "job sites" and "storage

locations", the most "we" pay for all loss in any one occurrence, subject to items 1., 2., 3., 4., and 5. under How Much We Pay, is the All Jobsites and Locations Limit shown on the "Declarations".

INSTALLATION FLOATER - OTHER PROPERTY COVERAGE CONDITIONS

1. **Vacancy -- Unoccupancy** -- This condition is deleted with respect to this coverage.
2. The following condition is added with respect to this coverage:

When Coverage Ceases -- Coverage ends when one of the following first occurs:

- a. this policy expires or is cancelled;
 - b. the covered property is accepted by the purchaser;
 - c. "your" insurable interest in the covered property ceases;
 - d. "you" abandon "your" installation, construction, or erection project with no intent to complete it;
 - e. the installation, construction, or erection project has been completed for more than 90 days; or
 - f. the covered property has been put to its intended use. However, this does not apply to roofs or walls.
-

COMPUTERS – HARDWARE AND SOFTWARE COVERAGE

This coverage is subject to the provisions of the Property Coverage Section of this coverage form, except as provided below:

PROPERTY COVERED

With respect to this coverage:

"We" cover direct physical loss to "your" computer "hardware" and "software" caused by a covered cause of loss while at a premises described on the "declarations". This includes similar property of others that is in "your" care, custody, or control.

PROPERTY NOT COVERED

The following property is not covered under this coverage:

- a) **Accounts, Bills, or Documents** -- "We" do not cover accounts, bills, evidences of debt, records, abstracts, deeds, and manuscripts.
- b) **Contraband** -- "We" do not cover contraband or property in the course of illegal transportation or trade.
- c) **Loaned, Leased or Rented to Others** -- "We" do not cover property that "you" loan, lease, or rent to others while the property is not at the premises described on the "declarations".
- d) **Money and Securities** -- "We" do not cover food stamps, lottery tickets not held for sale, "money", or "securities".

2) Additional Coverages

"We" provide the following additional property coverages:

- a) **Disturbance** -- "We" cover loss to covered property caused by "electrical disturbance" and "power supply disturbance" if the cause of such disturbance took place within 500 feet of the premises where the loss occurred.
- b) **Removal** -- "We" cover loss to property covered under this endorsement while moved or being moved from the described premises for preservation from loss caused by a covered cause of loss. "We" pay for any direct physical loss to that property. This coverage applies for up to ten days after the property is first moved.
- c) **Transit and Off-Premises Coverage** -- "We" cover direct physical loss to covered property caused by a covered cause of loss while:
 - (1) in transit; or
 - (2) at a location that is not shown on the "declarations".

The most "we" pay under this coverage is the amount shown in the "Declarations".

COVERED CAUSES OF LOSS

With respect to this coverage, "we" cover risks of direct physical loss unless the loss is limited or caused by a cause of loss that is excluded.

CAUSES OF LOSS EXCLUDED and ADDITIONAL EXCLUSIONS

- 1) Of the exclusions contained in the Property Coverage section of this coverage form, only the following apply to this coverage:
 - a) Civil Authority;
 - b) Nuclear Hazard;
 - c) War;
 - d) Utility Failure;
 - e) Criminal, Fraudulent, or Dishonest Acts; and
 - f) Pollutants.

- 2) The following exclusions are added with respect to this coverage:

"We" do not pay for loss if one or more of the following exclusions apply to the loss:

- a) **Deterioration, Fault, or Weakness** -- "We" do not pay for loss caused by deterioration; decay; or any quality, fault, or weakness in the covered property that causes it to damage or destroy itself. This exclusion does not apply to loss caused by "mechanical breakdown".
- b) **Loss of Use** -- "We" do not pay for loss caused by or resulting from loss of use, business interruption, delay, or loss of market.
- c) **Temperature, Rust, Humidity or Corrosion** -- "We" do not pay for loss caused by corrosion, rust, humidity, dampness, dryness, or changes in or extremes of temperature.

But "we" do pay for loss to covered property that results from a direct physical loss, caused by a covered cause of loss, to the air conditioning system that services covered "hardware".

- d) **Wear and Tear or Obsolescence** -- "We" do not pay for loss caused by wear and tear, depreciation, or obsolescence.

VALUATION OF PROPERTY LOSSES

The Pair or Set Provision is amended by adding the following:

However, this provision does not apply to "software" that comes in sets. If part of a "software" set cannot be replaced, the loss is considered a total loss of the set.

HOW MUCH WE PAY

In regard to this coverage the Deductible provision is deleted and replaced by the following:

"We" will pay only that part of "your" loss over the applicable Deductible amount shown in the Declarations in any one occurrence.

ACCOUNTS RECEIVABLE COVERAGE

This coverage is subject to the provisions of the Property Coverage Form, except as provided below:

PROPERTY COVERED

With respect to this coverage:

"We" cover loss to "your" accounts receivable records caused by a covered cause of loss while at the premises described on the "declarations". This includes:

- 1) the sums that are due and that "you" cannot collect from "your" customers because of the loss;
- 2) the interest charges on a loan if that loan is used to offset those sums that cannot be collected pending "our" payment of those sums;
- 3) collection costs that result from the loss which are above "your" normal collection costs; and
- 4) the reasonable costs to reconstruct "your" accounts receivable records.

ACCOUNTS RECEIVABLE - COVERED CAUSES OF LOSS

With respect to this coverage:

"We" cover risks of direct physical loss unless the loss is limited or caused by a cause of loss that is excluded.

CAUSES OF LOSS EXCLUDED and ADDITIONAL EXCLUSIONS

- 1) Of the exclusions contained in the Property Coverage Form, only the following apply to this coverage:
 - a) Civil Authority;
 - b) Nuclear Hazard;
 - c) War; and
 - d) Voluntary Parting.
- 2) The following exclusions are added with respect to this coverage:

"We" do not pay for loss if one or more of the following exclusions apply to the loss:

- a) **Concealment** -- "We" do not pay for loss caused by the destruction, alteration, falsification, or concealment of "your" accounts receivable records that is done to conceal the illegal giving, taking, or withholding of money, securities, or other property.

This exclusion applies only to the extent of the illegal giving, taking, or withholding.

- b) **Criminal, Fraudulent, or Dishonest Acts** -- "We" do not pay for loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts alone or in collusion with another by:

- (1) "you";
- (2) others who have an interest in the property;
- (3) others to whom "you" entrust the property;
- (4) "your" partners, officers, directors, trustees; or
- (5) the employees (including leased employees) or agents of (1), (2), (3), or (4) above, whether or not they are at work.

"We" do pay for loss caused by dishonest acts by carriers or other bailees for hire.

- c) **Damage, Disturbance, or Erasure of Electronic Data** -- "We" do not pay for loss that results from electrical or magnetic damage, disturbance, or erasure of electronic data or records that is caused by:

- (1) erroneous programming or faulty equipment instructions;
- (2) faulty or inadequate installation or maintenance of data processing equipment; or
- (3) electrical power supply disturbances including surges, blackouts, or brownouts if the cause of the disturbance took place more than 100 feet from the premises described on the "declarations".

- d) **Discrepancy** -- "We" do not pay for loss that results from a discrepancy that is discovered in "your" books or records if this is the only means to prove that a loss has occurred. If there is other evidence to prove that a loss has occurred, "you" may use the discrepancy to support "your" claim.

- e) **Errors and Omissions** -- "We" do not pay for loss caused by bookkeeping, accounting, or billing errors or omissions.

- f) **Loss of Use** -- "We" do not pay for loss caused by or resulting from loss of use, business interruption, delay, or loss of market.

HOW MUCH WE PAY

The Loss Settlement Terms found under How Much We Pay is deleted and replaced by the following with respect to this coverage:

Loss Settlement Terms -- Subject to paragraphs 1., 2., 4., and 5. under How Much We Pay, "we" pay the lesser of:

- 1) the total sum of accounts receivable due. From this total "we" will deduct:
 - a) all amounts due from the accounts receivable records that are not lost;
 - b) all amounts due that can be established by other means;
 - c) all amounts due that "you" have collected from the records that are lost;
 - d) all unearned interest and service charges; and
 - e) an amount to allow for bad debts;

Page 21 of 28

- 2) the reasonable cost to reconstruct "your" accounts receivable records; or
- 3) the "limit" shown on the Schedule of this endorsement.

If a loss occurs and "you" cannot establish the actual accounts receivable amount due, it will be determined as follows:

"We" will determine the total of the average monthly accounts receivable amounts for the 12 month period that directly precedes the month in which the loss occurred. "We" will adjust the total for any verifiable variance in the accounts receivable amount for the month in which the loss occurred.

OTHER PROPERTY COVERAGE CONDITIONS

The Recoveries condition found under Other Property Coverage Conditions is deleted and replaced by the following with respect to this coverage:

Recoveries -- All amounts that "you" receive on accounts receivable which "we" have paid for belong to "us". Amounts that "you" receive that are above the amount that "we" have paid will belong to "you".

VALUABLE PAPERS AND RECORDS COVERAGE

This coverage is subject to the provisions of the Property Coverage section of this coverage form, except as provided below:

PROPERTY COVERED

With respect to this coverage:

"We" cover loss to "your" "valuable papers and records" caused by a covered cause of loss while at the premises described on the "declarations". This includes similar property of others that is in "your" care, custody, or control.

1) **Property Not Covered**

The following property is not covered under this coverage:

- a) **Contraband** -- "We" do not cover contraband or property in the course of illegal transportation or trade.
- b) **Money and Securities** -- "We" do not cover food stamps, lottery tickets not held for sale, "money", or "securities".
- c) **Property That Cannot Be Replaced** -- "We" do not cover property that cannot be replaced with materials of like kind and quality.

2) **Additional Coverages**

"We" provide the following additional property coverages:

- a) **Removal** -- "We" cover loss to property covered under this endorsement while moved or being moved from the described premises for preservation from loss caused by a

covered cause of loss. "We" pay for any direct physical loss to that property. This coverage applies for up to ten days after the property is first moved.

- b) **Transit and Off-Premises Coverage** -- "We" cover direct physical loss to covered property caused by a covered cause of loss while:

- (1) in transit; or
- (2) at a temporary location, not used for storage, that is not shown on the "declarations".

These additional coverages are included in the coverage and limit shown on the "Declarations".

COVERED CAUSES OF LOSS

With respect to this coverage:

"We" cover risks of direct physical loss unless the loss is limited or caused by a cause of loss that is excluded.

VALUABLE PAPERS AND RECORDS - EXCLUDED CAUSES OF LOSS and ADDITIONAL EXCLUSIONS

- 1) Of the exclusions contained in the Property Coverage section of this coverage form, only the following apply to this coverage:

- a) Civil Authority;
- b) Nuclear Hazard;
- c) War;
- d) Contamination or Deterioration;
- e) Criminal, Fraudulent, or Dishonest Acts;
- f) Voluntary Parting; and
- g) Wear and Tear.

- 2) The following exclusions are added with respect to this coverage:

"We" do not pay for loss or damage if one or more of the following exclusions apply to the loss:

- a) **Errors and Omissions** -- "We" do not pay for loss caused by errors or omissions in processing, duplicating, or copying. But if a fire or explosion results, "we" do cover the resulting loss.
- b) **Damage, Disturbance, or Erasure of Recordings** -- "We" do not pay for loss caused by electrical or magnetic damage, disturbance, or erasure of electronic recordings. However, "we" do pay for damage, disturbance, or erasure caused by lightning.
- c) **Insects or Vermin** -- "We" do not pay for loss caused by insects or vermin.
- d) **Loss of Use** -- "We" do not pay for loss caused by or resulting from loss of use, business interruption, delay, or loss of market.

VALUATION OF PROPERTY LOSSES

With respect to this coverage:

Valuable Papers and Records -- The valuation of "valuable papers and records", including those that exist on electronic or magnetic media, will be the lesser of the following:

- 1) the actual cash value of the property at the time of loss;
- 2) the cost of reasonably restoring the property to its condition prior to the loss; or
- 3) the cost of replacing the property with substantially identical property.

PROPERTY IN TRANSIT COVERAGE

This coverage is subject to the provisions of the Property Coverage section of this coverage form, except as provided below:

a. **PROPERTY COVERED**

We pay for loss to covered property in "transit" between points in the "basic territory", including loading and unloading, when property is transported by one or more of the following modes of transportation:

- (1) Aircraft;
- (2) Railroad; or
- (3) Carrier For Hire.

Covered property includes:

- (1) "Your" business personal property,
- (2) "Your" contractor's equipment and tools,
- (3) "Your" materials, supplies, fixtures, and equipment which will become your finished work, and,
- (4) Similar property of others in your care, custody, or control, or entrusted to you, to the extent of "your" legal liability.

Loss or damage must be caused by or result from one of the following causes of loss:

- (1) Fire, lightning, explosion, windstorm, hail, vandalism, riot or civil commotion;
- (2) Vehicle collision, upset, overturn, or derailment or collapse of a bridge or culvert. Collision means accidental contact of a vehicle with another vehicle or object. It does not mean a vehicle's contact with the road bed;
- (3) "Theft".

"Theft" must be made evident by visible marks of forced entry into a securely locked body or compartment of the vehicle and must be reported to the appropriate authority. This restriction does not apply to covered property in the custody of a carrier for hire.

"We" only cover loading and unloading if the described property is loaded from or unloaded onto a sidewalk, street, loading dock, or similar area that is adjacent to the indicated mode of transportation.

If this coverage applies to a loss which is also covered by transit coverage as part of one or more other coverages in this coverage form, only one of the coverages will apply, that being the one which results in the largest loss recovery to the claimant. This provision will not operate to cause us to pay more than the loss sustained by you or, to pay more than your legal liability for loss sustained by another.

The most we will pay for loss or damage under this extension is the amount shown in the "Declarations".

WHAT MUST BE DONE IN CASE OF LOSS

1. **Notice** -- In case of a loss, "you" must:

- a. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
 - b. give notice to the police when the act that causes the loss is a crime.
2. **Protect Property** -- "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss. "We" pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a covered cause of loss if a covered cause of loss has already caused a loss to covered property. However, "we" do not pay for such repairs or emergency measures performed on property which has not been damaged by a covered cause of loss. This does not increase "our" "limit".
3. **Proof of Loss** -- "You" must send "us", within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:
 - a. the time, place, and circumstances of the loss;
 - b. other policies of insurance that may cover the loss;
 - c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;
 - d. changes in title or occupancy of the covered property during the policy period;
 - e. detailed estimates for repair or replacement of covered property;
 - f. available plans and specifications of buildings or structures;
 - g. detailed estimates of any covered loss of income and expenses; and
 - h. an inventory of damaged and undamaged covered personal property showing in detail the quantity, description, cost, actual cash value, and amount of the loss. "You" must attach to the inventory copies of all bills, receipts, and related documents that substantiate the inventory. An inventory of undamaged personal property is not required if the total claim for a loss is less than \$10,000 and less than 5% of the total "limit" that applies to the covered property.
4. **Examination Under Oath** -- "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of the others.
5. **Records** -- "You" must produce records, including tax returns and bank microfilms of all cancelled checks, relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.
6. **Damaged Property** -- "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.
7. **Volunteer Payments** -- "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.
8. **Abandonment** -- "We" do not have to accept any abandonment of property.

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9. **Intent to Continue Business** -- If "you" intend to continue "your" business, "you" must resume all or part of "your" business as soon as possible.
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VALUATION OF PROPERTY LOSSES

The valuation of property losses shall be based on the **Actual Cash Value**.

1. **Actual Cash Value** -- Coverage in this coverage form is based on Actual Cash Value valuation, unless a specific coverage contains special terms changing the valuation technique.

This means that property is based on its actual cash value at the time of the loss with a deduction for depreciation. Actual cash value includes a deduction for depreciation.

2. **Glass** -- The value of covered glass is based on the cost of safety glazing material where required by code, ordinance, or law.
3. **Loss to Parts** -- The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.
4. **Money** -- The value of "money" will be based on its face value.
5. **Pair or Set** -- The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set. This limitation does not apply to sets of computer software media which require all components of a set to be used in order to reinstall it.
6. **Securities** -- The value of "securities" will be based on their actual cash value at the close of business on the day the loss was discovered.
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HOW MUCH WE PAY

1. **Insurable Interest** -- "We" do not cover more than "your" insurable interest in any property.
2. **Deductible** -- "We" will pay only that part of "your" loss over the deductible amount stated on the "declarations" in any one occurrence.
3. **Loss Settlement Terms** -- Subject to paragraphs 1., 2., 4., 5., and 6. under How Much We Pay, "we" pay the lesser of:
- a. the amount determined under Valuation;
 - b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or
 - c. the "limit" that applies to covered property.
4. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim or loss sustained.
5. **Insurance Under More Than One Policy**
 -- "You" may have another policy subject to the same plan, "terms", conditions, and provisions as this policy. If "you" do, "we" pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.

If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".

LOSS PAYMENT

1. **Our Options** -- "We" may:

- a. pay the value of the loss;
- b. pay the cost of repairing or replacing the lost or damaged property;
- c. rebuild, repair, or replace with property of equivalent kind and quality, to the extent practicable; or
- d. take all or any part of the damaged property at the agreed or appraised value.

"We" must give "you" notice of "our" intent within 30 days after "we" have received a satisfactory proof of loss.

2. **Your Losses** -- "We" adjust all losses with "you". Payment is made to "you" unless another loss payee is named in the policy. A covered loss is payable 30 days after a satisfactory proof of loss is received, and:

- a. the amount of the loss has been agreed to in writing;
- b. an appraisal award has been filed with "us"; or
- c. a final judgment has been entered.

3. **Property of Others** -- Losses to property of others may be adjusted with and paid to:

- a. "you" on behalf of the owner; or
- b. the owner.

If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits arising from the owners at "our" expense.

OTHER PROPERTY COVERAGE CONDITIONS

1. **Appraisal** -- If "you" and "we" do not agree on the amount of the loss, either party may demand that the amount be determined by appraisal.

If either makes a written demand for appraisal, each selects a competent, independent appraiser and notifies the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers then determine and state separately the amount of each loss.

The appraisers also determine the actual cash value of covered property items at the time of the loss, if requested.

A written agreement is binding on all parties. If the appraisers fail to agree within a reasonable time, they submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three is binding on all parties.

Each appraiser is paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire is paid equally by "you" and "us".

If there is an appraisal, "we" retain "our" right to deny the claim.

2. **Benefit to Others** -- Insurance under the Property Coverage shall not directly or indirectly benefit anyone having custody of "your" property.
3. **Conformity With Statute** -- "Terms" of this policy, in conflict with the statutes of the state where the premises described are located, are amended to conform to such statutes.
4. **Control of Property** -- The coverage part is not affected by any act beyond "your" control.
5. **Cooperation** -- In case of loss, "you" must cooperate in performing all acts required by this coverage part.
6. **Death of an Individual Named Insured** -- If "you" die, "your" rights and duties under the Property Coverages pass to "your" legal representative or other person having proper temporary custody of "your" property.
7. **Liberalization** -- If "we" adopt a revision of forms during a policy period which broadens this coverage part without additional premium, the broadened coverage will automatically apply to this policy's coverage part. This also applies if "we" adopt the revision within 60 days before this policy is effective.
8. **Misrepresentation, Concealment, or Fraud** -- This coverage is void as to "you" and any other "insured" if, before or after a loss:
 - a. "you" have or any other "insured" has willfully concealed or misrepresented:
 - 1) a material fact or circumstance that relates to this insurance or the subject thereof; or
 - 2) the "insured's" interest herein; or
 - b. there has been fraud or false swearing by "you" or any other "insured" with regard to a matter that relates to this insurance or the subject thereof.
9. **Recoveries** -- If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:
 - a. "You" must notify "us" promptly if "you" recover property or receive payment.
 - b. "We" must notify "you" promptly if "we" recover property or receive payment.
 - c. "We" will pay any recovery expenses incurred, and the expense to repair the recovered property, subject to the "limit" of insurance.
 - d. "You" may keep the recovered property but "you" must refund to "us" the amount of the claim paid, or any lesser amount to which "we" agree.

- e. If the claim paid is less than the agreed loss due to a deductible or other limiting "term" of this policy any recovery is pro rated between "you" and "us" based on our respective interest in the loss.

10. **Subrogation** -- If "we" pay for a loss under the Property Coverages "we" may require that "you" assign to "us" any right of recovery against others up to the amount "we" paid.

"You" may waive "your" right to recover from others, in writing, before a loss takes place.

"We" are not liable for a loss if, after the loss, "you" impair "our" right to recover. But, "you" may waive "your" right to recover in writing after a loss only as to the following parties:

- a. someone insured under the Property Coverages;
- b. "your" tenant;
- c. a business firm owned or controlled by "you"; or
- d. a business firm which owns or controls "your" business.

11. **Suit Against Us** -- No suit to recover any loss may be brought against "us" unless:

- a. the "terms" of the Property Coverages have been fully complied with; and
- b. the suit is commenced within two years after the loss.

If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by the law.

12. **Vacancy -- Unoccupancy** -- "We" do not pay for loss caused by attempted theft, breakage of building glass, sprinkler leakage (unless "you" have protected the system against freezing), theft, vandalism, or water damage occurring while the building or structure has been:

- a. vacant for more than 60 consecutive days; or
- b. unoccupied for more than
 - 1) 60 consecutive days; or
 - 2) the usual or incidental unoccupancy period for the described premises
 whichever is longer.

The amount "we" pay for any loss that is not otherwise excluded is reduced by 15%.

Unoccupied means that the customary activities or operations of the described occupancy are suspended, but business personal property has not been removed. The building or structure shall be considered vacant and not unoccupied when the occupants have moved, leaving the building or structure empty or containing only limited business personal property. Buildings or structures under construction are not considered vacant or unoccupied.

POLICY NUMBER: U16AC85349-01

IL 09 52 01 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

CONTRACTORS PERSONAL PROPERTY**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****CALIFORNIA CHANGES**

This endorsement modifies insurance provided under the following:

CONTRACTORS PERSONAL PROPERTY COVERAGE**AMENDMENTS OF TERMS**

- A. The COMMON POLICY DEFINITIONS are amended to add the following:

Throughout this policy, any reference to "your" spouse includes a person who is "your" registered domestic partner as defined or recognized by California law.

Throughout this policy, any reference to "your" relative or "your" resident relative includes a relative of "your" registered domestic partner.

- B. Under EXCLUDED CAUSES OF LOSS, Criminal, Fraudulent, or Dishonest Acts is amended to include the following:

However, with respect to a covered loss caused by fire, this exclusion does not apply to an insured who did not cooperate with or contribute to the act that caused such loss.

Subject to all other "terms" of this policy, "our" payment to an insured who did not cooperate in or contribute to the act that caused the loss may be limited to that person's insurable interest in the property, less any payment made to a mortgagee or other party with a legal secured interest in the property. "We" retain all rights set forth in the Subrogation condition of this policy with regard to action against the perpetrator of the act that caused the loss.

- C. Under WHAT MUST BE DONE IN CASE OF LOSS, Examination Under Oath is amended to include the following:

Any examination under oath is subject to the provisions of Section 2071.1 of the California Insurance Code.

- D. Under WHAT MUST BE DONE IN CASE OF LOSS, Records is amended to include the following:

"We" will inform "you" that tax returns are privileged against disclosure under applicable state law but may be necessary to process or determine the claim.

- E. Under VALUATION OF PROPERTY LOSSES, Actual Cash Value is amended to include the following:

When the actual cash value "terms" apply to covered property other than building property, the actual cash value of that property will be determined as:

- 1) the amount it would cost to repair, rebuild, or replace the lost, damaged, or destroyed property less a fair and reasonable deduction for physical depreciation; or
- 2) the "limit" applicable to that property at the time of the loss,

whichever is less.

The condition of the property at the time of the loss is the basis for determining the amount of physical depreciation. The expense of labor necessary to repair, rebuild, or replace covered property is not a component of physical depreciation.

- F. Under LOSS PAYMENT, the following provision is added:

Adjusters -- If, within a six-month period, "we" assign a third or subsequent adjuster to be primarily responsible for a claim, "we", in a timely manner, will provide "you" with a written status report that contains a summary of any decisions or actions that are substantially related to the disposition of the claim, including, but not limited to, the amount of losses to structures or contents, the retention or consultation of design or construction professionals, the amount of coverage for losses to structures or contents, and all items of dispute.

CONTRACTORS PERSONAL PROPERTY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

- G. Under OTHER PROPERTY COVERAGE CONDITIONS, Appraisal is deleted and replaced by the following:

Appraisal -- If "you" and "we" do not agree on the amount of the loss, either party may request that the amount be determined by appraisal.

If either makes a written request for appraisal and the request is accepted, each selects a competent, independent appraiser and notifies the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers then determine and state separately the amount of each loss.

The appraisers also determine the actual cash value of covered property items at the time of the loss.

Appraisal proceedings are informal unless "you" and "we" mutually agree otherwise. This means that no formal discovery will be conducted, including depositions, interrogatories, requests for admission, or other forms of formal civil discovery, no formal rules of evidence will be applied, and no court reporter will be used for the proceedings.

If the appraisers fail to agree within a reasonable time, they submit only their differences to the umpire. The written agreement of any two will determine the amount of actual cash value and loss.

Each appraiser is paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire is paid equally by "you" and "us".

In the event of a government-declared disaster, as defined in the Government Code, appraisal may be requested by either "you" or "us" but cannot be compelled.

- H. Under OTHER PROPERTY COVERAGE CONDITIONS, the Misrepresentation, Concealment, or Fraud Condition is deleted and replaced by the following:

Misrepresentation, Concealment, or Fraud -- "We" do not provide coverage to the "insured" who has, before or after a loss:

- a. willfully concealed or misrepresented:
 - 1) a material fact or circumstance that relates to this insurance or the subject thereof; or
 - 2) the "insured's" interest herein; or
- b. committed fraud or sworn falsely with regard to a matter that relates to this insurance or the subject thereof.

U.S. Specialty Insurance Company

Policy Number: U16AC85349-01



To report a new claim or loss, please notify our claims administrator:

Network Adjusters Inc.

CLAIM CALL CENTER

**8055 E. Tufts Ave, Suite 600
Denver, CO 80237**

855-887-9509

TO REPORT A NEW CLAIM OR LOSS

- **FAX** **720-529-9345**
- **PHONE** **855-887-9509**
 24 Hour Call Center
- **E-MAIL** **networknewloss@networkadjusters.com**